

PRESS RELEASE

December 7th 2020

SHAREHOLDERS FOR CHANGE LAUNCHES ITS ENGAGEMENT REPORT 2020

**Joint shareholder engagement with ca. 100 companies.
Focus on tax justice, climate change and human rights.**

Aurélie Baudhuin, president of Shareholders for Change: «In 2020 we have been a driver of innovation despite the pandemic, filing the first climate resolution ever in France or engaging a sovereign country on biological weapons. Shareholders for Change confirms its pioneering role as engagement network».

SfC - Shareholders for Change - Shareholders for Change, European network for investor engagement founded in 2017, released its engagement report 2020 in Paderborn today, during its online winter meeting. The 11 members of the network, with a total of over €28bn AUM, have jointly engaged 100 companies and one country, most of them in Europe, filing resolutions and voting at annual general meetings (AGMs) or asking questions in conference calls and via mail.

Most questions were on climate change, human rights and tax transparency, the three main areas of engagement for Shareholders for Change. While most engagement initiatives (70.2%) are still ongoing, 13.5% of them were completed with success, while 2.9% were not successful, because the companies did not respond. In this case, each Shareholders for Change members can decide whether to divest from a company's securities or to escalate the engagement in another way in the next AGM season.

«2020 was a particularly challenging year for our network due to the pandemic. In most EU countries it wasn't possible to physically attend meetings with companies. », said Aurélie Baudhuin, president of Shareholders for Change and deputy general manager of Meeschaert AM, one of the founding members.

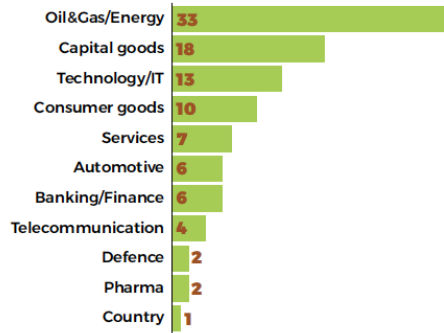
«Nevertheless, we have been able to confirm our pioneering role as a network, submitting the first climate resolution in France, at Total's AGM, or engaging the Namibian government, asking it to accede to the UN Biological Weapons Convention. In May we have submitted our resolution on living wages at the annual general meeting of fashion giant H&M via live streaming».

Shareholders for Change winter meeting, spanning over two days, was meant to be held in Paderborn, Germany, where Bank für Kirche und Caritas, one of Shareholders for Change's founding members, is based. The whole agenda has been shifted online due to the Covid-19 emergency, including training sessions focussed on climate related issues in the reinsurance industry by the German NGO Urgewald and by Plenum Investments, a catastrophe bond asset manager as well as an engagement dialogue with the German re-insurance company Hannover RE.

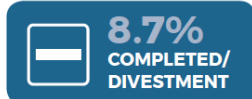
Key data from the engagement report 2020

BREAKDOWN OF TOTAL SFC ENGAGEMENT INITIATIVES BY SECTOR IN 2020 (in %)

104 ENGAGEMENT INITIATIVES IN TOTAL IN 2020
(four companies have been engaged twice, on different issues)



SFC'S ENGAGEMENT RESULTS IN 2020



NOT SUCCESSFULL (EXAMPLES)



*Divestment is just one possible strategy. Each member decides autonomously how to behave in such cases, according to its own engagement process. Refer to the network engagement strategy [PAGE 36](#).



About Shareholders for Change

Shareholders for Change is a network for shareholder engagement dedicated to institutional investors. It was launched on 6 December 2017. Its 11 members manages assets for a total of €28bn:

- Alternative Bank Schweiz (ABS, Switzerland)
- Bank für Kirche und Caritas eG (BKC, Germany)
- Ecofi, Groupe Crédit Coopératif (France)
- Ethos Foundation (Switzerland)
- Etica Sgr, Gruppo Banca Etica (Italy)
- Fair-Finance Vorsorgekasse (Austria)
- Fondazione Finanza Etica (FFE, Italy)
- Forma Futura Invest (Switzerland)
- Friends Provident Foundation (UK)
- Fundación Finanzas Éticas (Spain)
- Meeschaert AM (France)

The network's first goal is to engage with companies, participating in AGMs, submitting letters as well as coordinating meetings and calls, in order to persuade them to improve their social, environmental and governance track record.

Shareholders for Change focusses on three main issues:

- workers' rights and human rights;
- fiscal practices and tax justice;
- CO₂ emissions and climate change.

Shareholders for Change members adopt two different styles of engagement:

- Shareholder activism: engagement with companies that, normally, are already part of an investing universe selected according to ESG criteria;
- Critical shareholding: engagement with companies that are targeted by NGOs' campaigns or are allegedly involved in serious environmental or social controversies and are normally not part of an investing universe. This approach is often implemented in cooperation with NGOs.

Critical shareholding was adopted in five cases in 2020 (out of 104 engagement initiatives in total).

More information on: www.shareholdersforchange.eu